

SO ORDERED: January 24, 2011.



A handwritten signature in black ink that reads "Basil H. Lorch III".

**Basil H. Lorch III**  
**United States Bankruptcy Judge**

IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
NEW ALBANY DIVISION

IN RE:	)	Chapter 11
	)	
EASTERN LIVESTOCK CO., LLC	)	Case No. 10-93904-BHL-11
	)	
Debtor.	)	Hon. Basil H. Lorch III

**ORDER GRANTING TRUSTEE'S EMERGENCY REGARDING TRUSTEE SELLING  
DEBTOR'S CURRENT CATTLE INVENTORY**

This matter came before the Court on the Emergency Motion Regarding Trustee Selling Debtor's Current Cattle Inventory [Dock. No. 143] ("Motion") filed by James A. Knauer, the chapter 11 trustee appointed in this case ("Trustee"), seeking entry of an order authorizing the Trustee, in his discretion and business judgment, to sell the cattle inventory of Eastern Livestock Co., LLC ("Debtor") (incorrectly described as numbering 36,000 head but actually believed to be approximately 4,000 head) free and clear of all liens, claims, encumbrances and interests, including contract rights and any statutory trusts under 7 U.S.C. 181 et seq. (collectively, "Claims") pursuant to the procedures set forth therein ("Sale Procedures") with any such Claims attaching to the proceeds of the sales.

Upon the consideration of the Motion, and any objections to the Motion, and upon the record of the hearing held on the Motion, the Court now being duly advised finds that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtor, its estate and its creditors; (iv) proper and adequate notice of the Motion and the hearing thereon has been served and that no other or further notice is necessary; (v) granting the relief requested on an emergency basis is necessary to preserve and maximize assets of the estate and (vi) upon the record herein after due deliberation thereon good and sufficient cause exists for the granting of the relief set forth herein. Accordingly,

IT IS THEREFORE ORDERED that:

- A. The Motion is granted and any objections thereto are hereby overruled.
- B. The Sale Procedures<sup>1</sup> set forth in the Motion represent a sound exercise of the Trustee's business judgment and are hereby approved in their entirety.
- C. The Trustee is authorized to sell cattle pursuant to the Sale Procedures free and clear of any and all Claims with any such Claims attaching to the proceeds of the sales.
- D. The Court's granting of the Motion shall not have any impact, legally, factually, equitably or otherwise on any lien, claim, encumbrance or interest that may be asserted against the Purchase Money ("Third Party Claims") nor shall it have or be deemed to have any preclusive effect (including but not limited under the doctrines of res judicata, collateral estoppel, law of the case or other similar doctrines ) on Third Party Claims.
- E. This Order shall not apply to cattle or cattle proceeds that are the subject of the lawsuit ("Texas Interpleader Case") filed in the United States District Court for the

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<sup>1</sup> All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Northern District of Texas, Amarillo Division, styled Friona Industries, L.P. vs. Eastern Livestock Co., Inc., et al, Case No. 2:10-cv-00266-J ("Texas Interpleader Cattle/Proceeds") and no plaintiff, defendant, or intervenor in the Texas Interpleader Case is required to comply with the Procedures set forth in this Order or to turn over Texas Interpleader Cattle/Proceeds to the Trustee pursuant to this Order.

F. This Order applies only to cattle and/or proceeds of cattle that are property of the Debtor's estate.

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